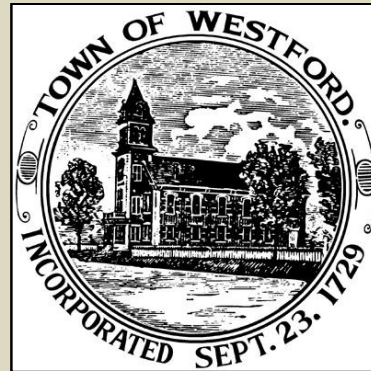


# **TOWN OF WESTFORD**

## **State of the Town Fiscal Year 2015**



**Jodi Ross**

**Town Manager**

**March 22, 2014 Annual Town Meeting**

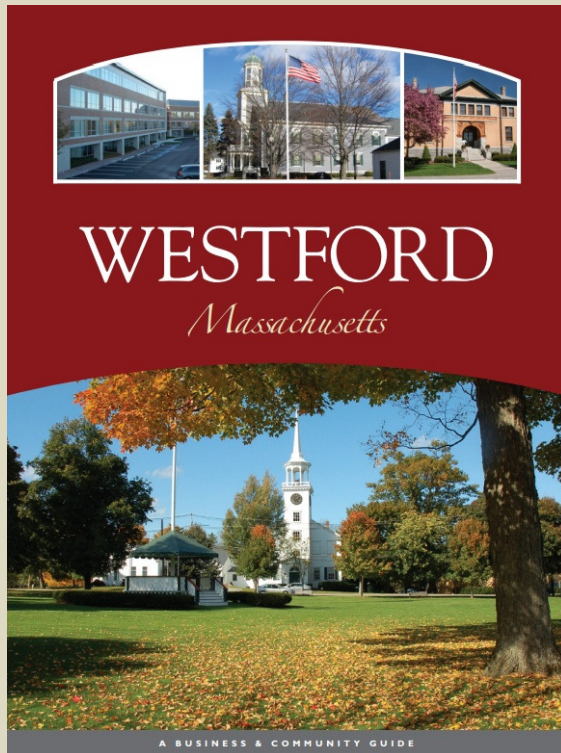
# FY13-FY14 Highlights

- 11<sup>th</sup> best place in the country to live by Money Magazine
- 8<sup>th</sup> best school system out of 147 in greater Boston by Boston Magazine
- Dedicated our new 9/11 Memorial
- Became a “Green Community” - received \$156,000 Grant



# FY13-FY14 Highlights

- BoS formed Economic Development Committee
  - Designated an Economic Target Area by the state
  - Held business breakfast with largest employers in Westford
  - Produced Business and Community Guide
  - Initiating formation of Westford Business Association
  - Quarterly Business Connection Newsletter
  - Cynosure Tax Increment Finance (TIF) Agreement



# FY13-FY14 Highlights

- Continued to work with state and federal officials regarding issues with Pan Am Railways
- Reorganized oversight of Wastewater Treatment Plants - now managed by Water Department
- Received FEMA reimbursements of \$119,004
- NMCOG town center traffic and parking study completed
- Technology efforts featured in article titled “Westford Takes Service Approach to Technology Investments” in the Municipal Advocate
- Health Department received \$1000s in grants to keep our community healthy

# FY13-FY14 Highlights

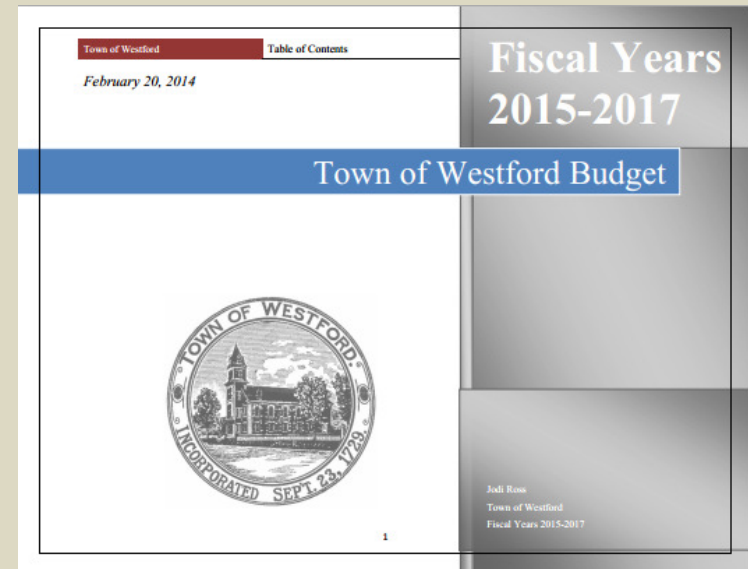
- Public safety officials provided assistance during the Boston Marathon Bombings
- Police Department Received Outstanding Achievement in Traffic Safety - Officer Breault received AAA Traffic Safety Hero Award
- Appointed new Fire Chief, Joe Targ
- Engineering Department overseeing \$7.2M in infrastructure improvements across town
- Three student athletes in our Recreation Department's crew program were offered athletic scholarships at colleges/universities
- Healthy Lakes and Ponds Collaborative established
- Town staff and committee members participating in Toastmasters

# FY14 Revenues

- \$1.7M in New Growth
  - Cornerstone, Graniteville Woods, Red Hat, Summer Village, Laughton Farms, Aldrich Farms, personal property
- Local Options Excise projected to exceed \$1M
  - Hotel excise 12% above FY13
  - Meals excise 22% above FY13
- State Aid increased by \$283,651
- Community Preservation Act state funding up 103% from FY13 to \$818,612
- Licenses and Permit fees are above projections

# FY15 Budget Highlights

- New Selectmen Budget Policy Directive
- Introduced a new 3-year budget format
- Balanced budget with no Prop. 2 ½ override request
- Total cash reserves \$5.8M [6.1%]
- Funding Articles 3,5,6,9, and 12 from Free Cash; in line with recommendations from our bond ratings agencies
- Westford Public Schools – additional \$2.1M
- Other town departments – additional \$1.1M





# FY15 Budget Highlights

- Total of \$8.2M in capital investments in infrastructure and equipment
- Established a \$500,000 Health Insurance Stabilization fund
- Increased OPEB funding by \$1.2M
- Net metering power purchase agreements expected to result in significant electricity savings
- Funded perchlorate remediation at \$250,000
- Received approval to bypass the Nutting Rd Water Treatment plant to save \$75,000
- Increased Snow and Ice budget to \$400,000



# FY15 Budget Highlights

- New Wastewater Treatment Management Budget \$223,920 (\$153,000 transferred from Schools)
- Restored library funding to meet Municipal Appropriation Requirement (MAR)
- Recommending fire station study - \$50,000
- Increased Veterans' services expenses - \$42,000
- Reduction in excluded and non-excluded debt obligations
- N.V.T.H.S. assessment +1.12%
- Overall tax impact 1.96%

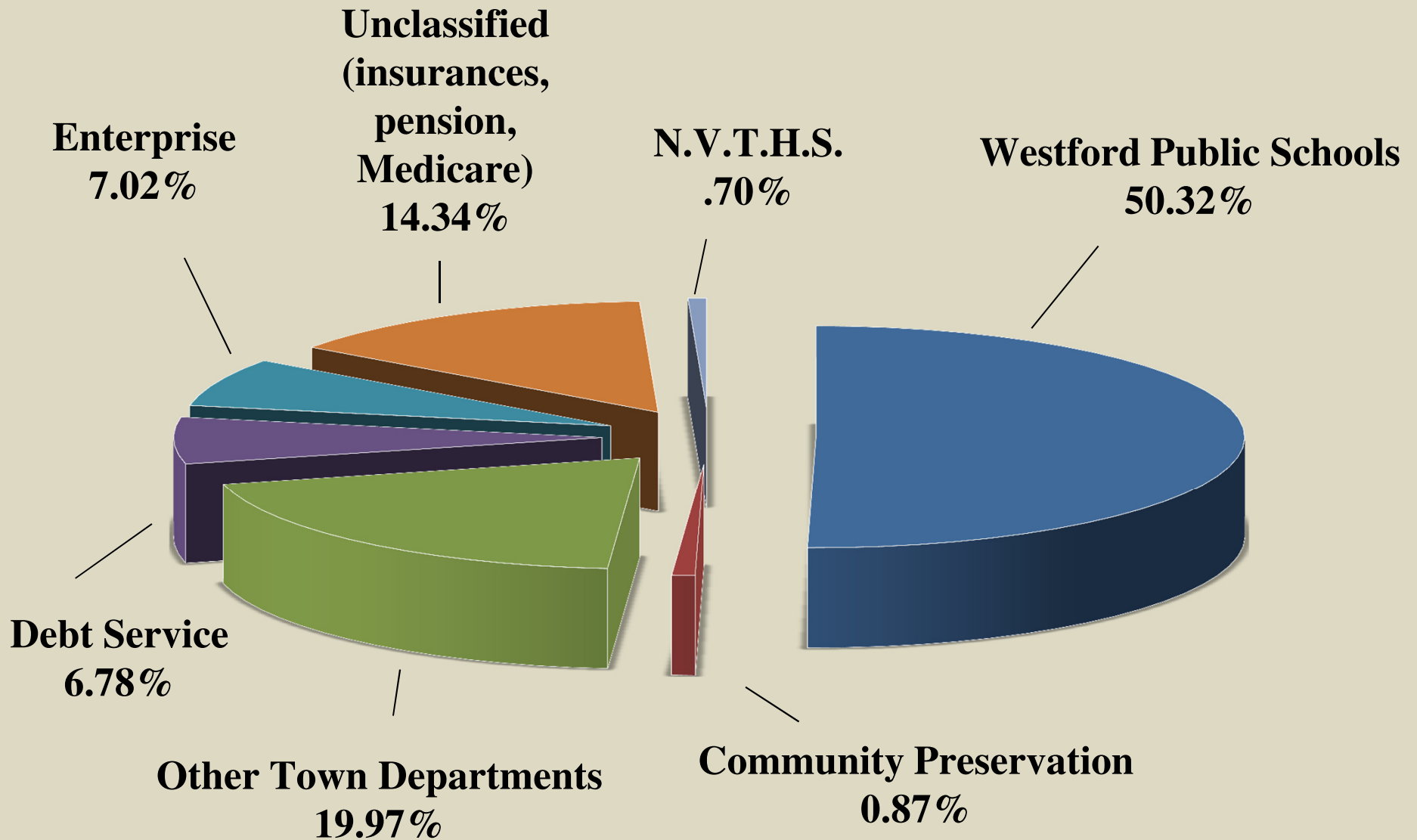
# FY15 Expenditures

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|                            |                    |
|----------------------------|--------------------|
| Westford Public Schools    | \$51,355,160       |
| Community Preservation     | 887,023            |
| Other Town Departments     | 20,383,658         |
| Debt Service               | 6,913,279          |
| Enterprise                 | 7,168,301          |
| Unclassified               | 14,631,788         |
| N.V.T.H.S.                 | 711,180            |
| Other Amounts to be Raised | 6,835,359          |
| <b>Total</b>               | <b>108,885,749</b> |

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# FY15 Operating Budget



# Health Insurance

- Establishment of Health Insurance Stabilization fund allowed for a decrease in budget from 12% to 8%
- Switched to Blue Cross Blue Shield in Nov. 2013
  - 1.4% increase HMO & PPO plans
  - 36.5% *decrease* for Medicare supplemental plans
- FY14 Enrollment: 1,009 (approx. 60% of employees)
- FY14 Budget: \$10,131,521
- FY15 Budget: \$9,467,933

# Other Post Employment Benefits

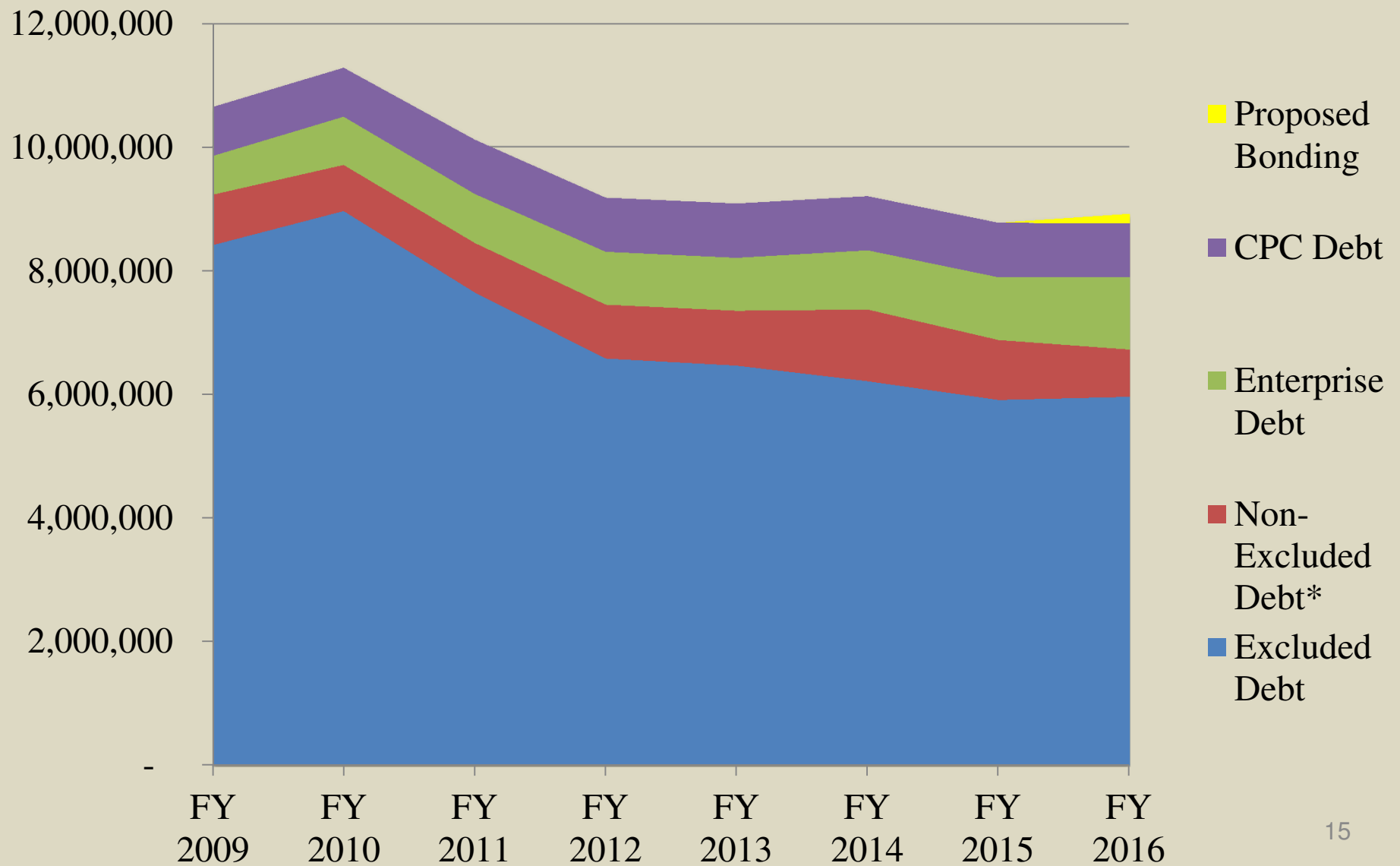
- Current liability decreased from \$72M to \$50M with the 36.5% decrease to BCBS Medicare Supplemental Plan
- Developing formal funding policies for OPEB obligations
- Town/Schools OPEB funding
  - FY15 \$500,000
  - FY16 \$700,000
  - FY17 \$900,000
- Water Enterprise to fully fund Water Department OPEB obligation with \$700,000 in FY15 – fund annually after

# Capital Appropriations

Capital Planning Committee reviewed,  
prioritized and recommended town-wide  
capital budget

|                                    |                        |
|------------------------------------|------------------------|
| From Free Cash                     | \$ 1,915,665.00        |
| Bonding - Water Enterprise         | 1,060,000.00           |
| Bonding - Day & Rob. Windows       | 4,101,750.00           |
| Free Cash to Capital Stabilization | 850,000.00             |
| Water Enterprise Free Cash         | 310,000.00             |
| Total                              | <u>\$ 8,237,415.00</u> |

# Debt Service





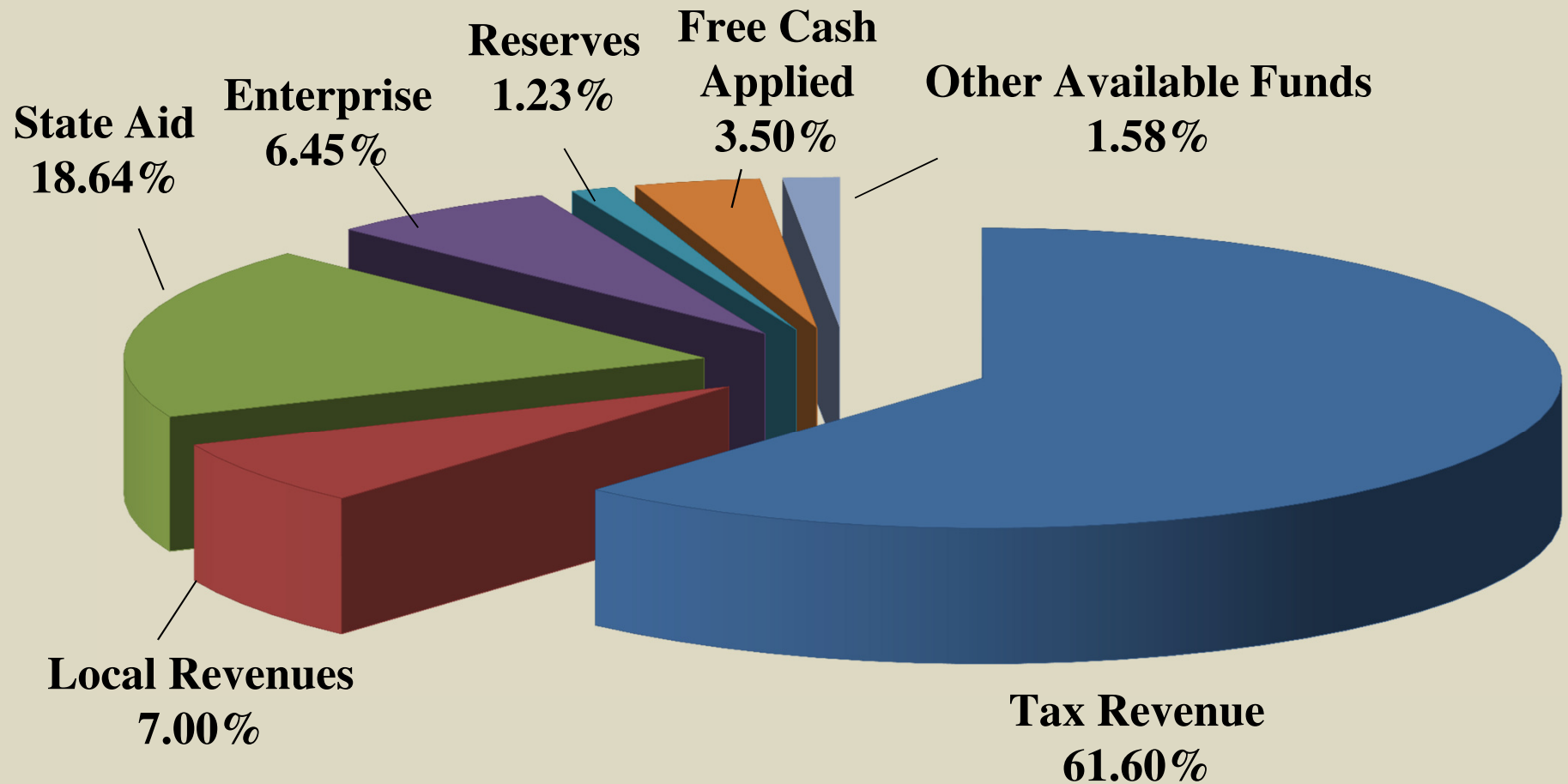
# FY 2015 Projected Revenue

- Local Revenue estimated 2.5% increase
- New Growth \$1M
- Ambulance Enterprise revenue \$700,000
- State Aid + .84%
- Projected over \$1M in hotels and meals excise taxes
- Lease revenue
  - \$40,000 from East Boston Camps
  - \$41,757 from Roudenbush lease

# FY15 Projected Revenue

|                       |               |
|-----------------------|---------------|
| Tax Revenue           | \$67,069,528  |
| Local Revenue         | 7,618,404     |
| State Aid             | 20,298,722    |
| Enterprise Revenue    | 7,022,453     |
| Reserves Applied      | 1,346,180     |
| Other Available Funds | 1,715,401     |
| Free Cash             | 3,815,061     |
| Total                 | \$108,885,749 |

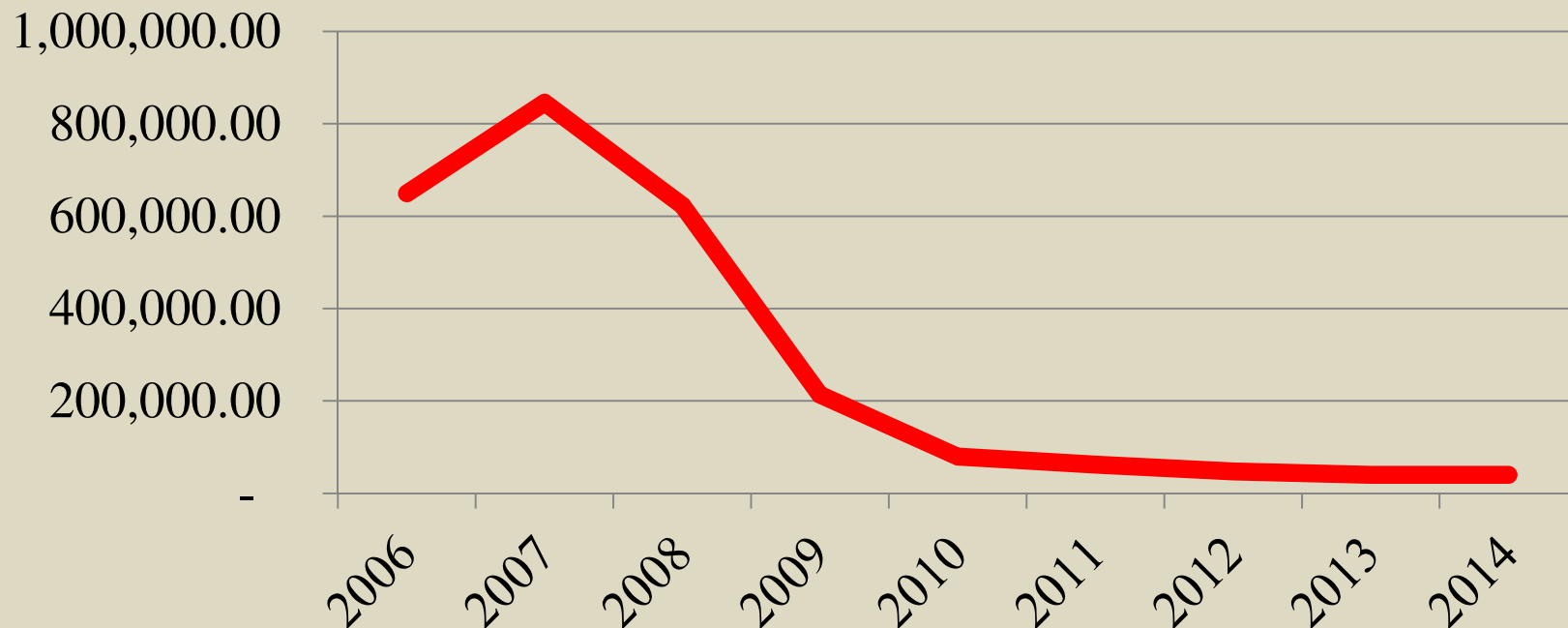
# FY 2015 Projected Revenue



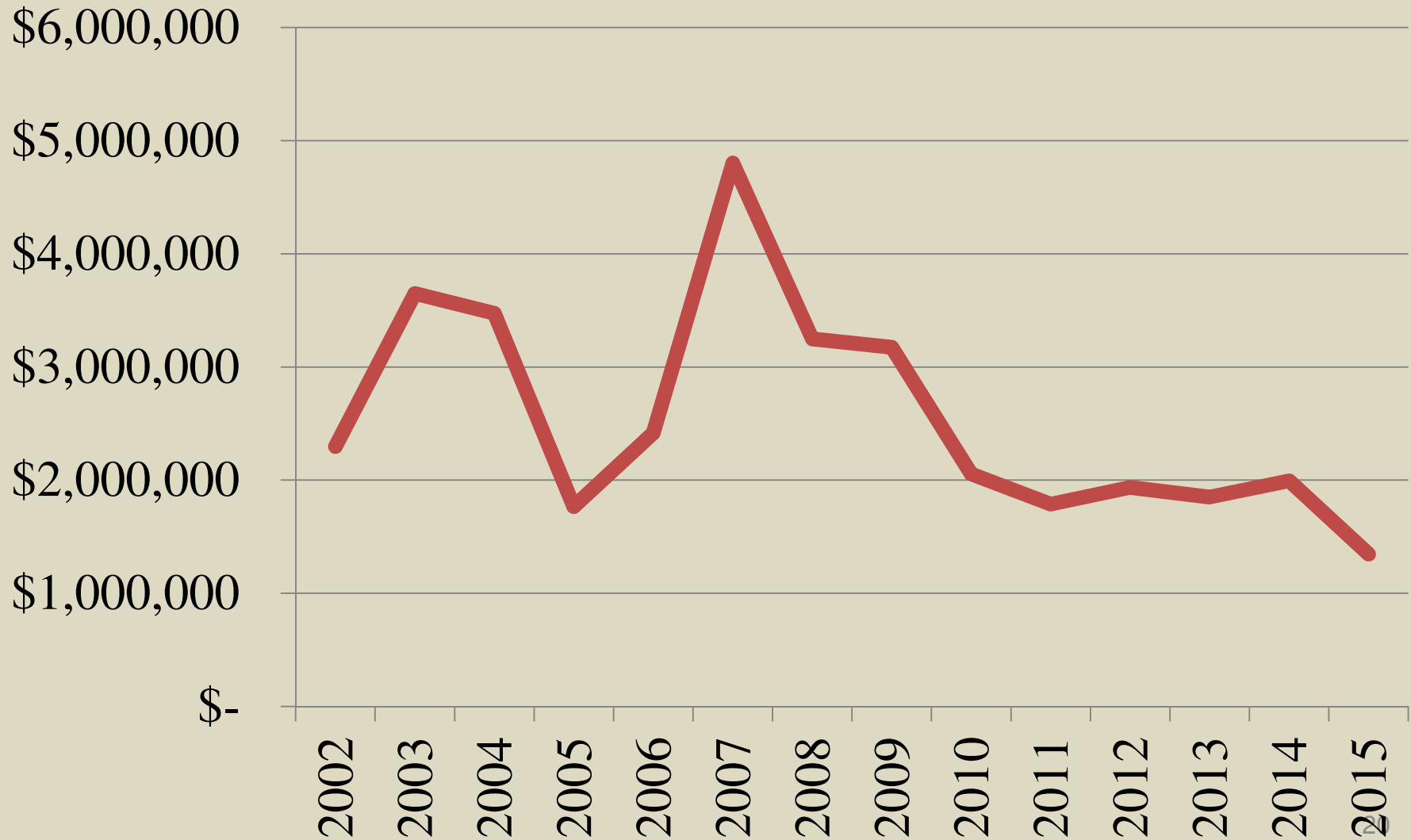
# Investment Income

- 5.25% in Sept 2007 down to .10%-.35% in March 2014
- The projected income for FY15 is \$41,000
  - Down from \$846,064 in FY07

## General Fund Investment Income



# **\$1.3M Reserves Applied to Balance the Budget**



# Future Fiscal Challenges

- Collective Bargaining Agreements
- Health insurance enrollment and premiums
- Retirement assessment
- Litigation
- Special education mandates
- Perchlorate expenditures
- Waste water treatment plant operations

# Future Fiscal Challenges

- Severe storms, town's response and recovery costs
- Infrastructure and facility repairs and maintenance
- 12 North Main Street (Westford Anodizing)





# Thank You Westford!

Thank you to our board members, department heads, employees, volunteers, and all of our residents for your creativity, collaboration, countless contributions, and most of all, your unwavering commitment to our community.